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SUBJECT: RWANDAN COMPREHENSIVE AGRICULTURE DEVELOPMENT PROGRAM
(CAADP) POST-COMPACT REVIEW

REF A: KIGALI 747, B: KIGALI 781

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¶1. (U) SUMMARY: On December 6, 2009, the African Union/New Partnership for Africa's Development (AU/NePAD) held a Comprehensive Africa Agriculture Development Program (CAADP) post-compact review of Rwanda's 2009-2012 Agriculture Sector Investment Plan to raise agricultural productivity and reduce food insecurity. The AU/NePAD provided an overall endorsement of the Plan's technical soundness and alignment with CAADP principles, as well as some recommendations for further analysis and improvement. Other stakeholders, including regional economic communities, the International Food Policy Research Institute (IFPRI), Food and Agriculture Organization of the United Nations (FAO), several Ministers of Agriculture from throughout the continent, and Rwanda's Agriculture Sector Working Group, participated in the review and provided support and recommendations. As the first country to sign a CAADP compact in 2007 and to now submit to a rigorous, African-led technical review of its post-compact plan, Rwanda has once again established its leadership in advancing the CAADP process and provided a model for the continent.

¶2. (U) On December 6, 2009, the AU/NePAD convened key stakeholders to undertake a CAADP post-compact review of Rwanda's 2009-2012 Agriculture Sector Investment Plan to raise agricultural productivity and reduce food insecurity. The review included input from CAADP Pillar Institutions, the Common Market for East and Southern Africa (COMESA), IFPRI, FAO, several Ministers of Agriculture from throughout the continent, and Rwanda's Agriculture Sector Working Group. The review will inform a post-compact strategy for Rwanda that includes the mobilization of additional resources in support of the Plan and sets a precedent for implementation of CAADP compacts throughout Africa.

¶3. (U) The review began with a presentation of Rwanda's Investment Plan by the Ministry of Agriculture. The Plan identifies the investments necessary to implement Rwanda's Strategic Plan for the Transformation of Agriculture (PSTA II) and is organized around four program areas: intensification and development of sustainable production systems; support to the professionalization of producers; promotion of commodity chains and agribusiness development; and institutional development. The Plan is valued at 848 million dollars, with a revised estimated financing gap of 325 million. The Government believes a fully funded Investment Plan can deliver eight to nine percent growth in the agriculture sector, thereby putting Rwanda on a path to achieving the Millennium Development Goal (MDG) of halving poverty and hunger by 2015.

14. (U) The AU/NePAD endorsed the Plan and commended the Government for its technical soundness. The review found the Plan well aligned with the goals and objectives of CAADP. The PSTA II, which provides the strategic direction for the Investment Plan, underwent extensive stakeholder consultation and peer review, making mutual accountability a recognized strength of the Plan. The AU/NePAD recommended that the Government further clarify the role envisioned for the private sector in the Plan's implementation, including through possible public-private partnerships and alliances; design comprehensive programs across ministries that have roles in contributing to the reduction of food insecurity; and work with COMESA, the East African Community (EAC), and other regional economic communities to capture opportunities presented by regional markets.

15. (U) IFPRI provided an analysis of recent trends in Rwanda's agricultural sector and sought to assess the impact of the Plan's proposed investments on long-term growth and poverty reduction targets. Recent trend agricultural sector growth is higher than pre-compact levels but remains below the sustained rates necessary to achieve PSTA/CAADP (about 6 percent) and MDG (about 9 percent) targets. Unlike the Government's forecast, IFPRI's analysis suggests that even a fully funded Investment Plan would only bring about the required long-term growth required to realize the poverty MDG by 2020, rather than by 2015. IFPRI recommended further analytical work to evaluate poverty and vulnerability trends, as well as to establish relationships between agricultural growth, household-level poverty, and food security. Due to lack of data, IFPRI was unable to estimate the likely distributional impact of the Investment Plan and thus its effects on household-level poverty.

16. (U) The CAADP Pillar Institutions expressed general satisfaction with the Plan and offered recommendations for the Government as it enters the implementation phase. Recurring themes included greater

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engagement with the private sector, an enhanced focus on regional markets, attention to capacity development, and the importance of tracking key indicators to inform decision-making. Consistent with IFPRI's recommendations, it was also suggested that data on household welfare, productivity, land quality, and nutrition be collected to inform development, disaster response, and safety net programs. The Pillar Institutions recommended that consideration be given to the specific constraints faced by vulnerable groups, including women; transfers of productive assets to the very poor; and focus on value chains that benefit the poor and have considerable nutritional benefits.

17. (U) The FAO Investment Center was asked to provide an assessment of the Investment Plan's operational realism. FAO called attention to the importance of appropriate phasing of investments and the need to build human and social capacity before implementing certain aspects of the plan. Questions were raised about Rwanda's absorption capacity at national, local, and community levels if the Investment Plan is fully funded. FAO did not receive access to the models and data that informed the costing of the various programs identified in the Plan and was therefore unable to undertake a cost-benefit analysis of the proposed investments. However, FAO is ready to undertake such an analysis once it receives the necessary information.

18. (SBU) COMMENT: As the first country to sign a CAADP compact in 2007 and to now submit to a rigorous, African-led technical review of its post-compact plan, Rwanda has once again established its leadership in advancing the CAADP process and provided a model for the continent. Lessons from the Rwanda experience will be shared widely to inform the further development of a model for CAADP post-compact review. Finally, while preparation time was short, this first-ever technical review of a CAADP post-compact investment plan firmly established the existence of African capacity to lead a rigorous review whose results can credibly inform decisions to invest in country-led plans.

SYMINGTON